By Neal Goswami, Bennington Banner

BENNINGTON -- Congressman Peter Welch met with local seniors Monday, hoping to reassure them that the Medicare benefits they depend on will remain intact if Congress passes health care reform legislation.

Many senior citizens are skeptical of reform proposals in Congress because financing mechanisms depend heavily on finding hundreds of billions of dollars in Medicare savings. But Welch said Monday that "health care for all Americans is going to include improving health care for senior Americans."

"That's very, very important to know, and don't let anyone tell you otherwise,"he told about two dozen seniors.

Speaking at Bennington ProjectIndependence, an adult carefacility, Welch, a Democrat,lauded Medicare as a "terrific" program for seniors. But he said the country needs a health care system "that works for folks under 65 as well as over 65."

Welch said health care reform will absolutely protect Medicare. Proposed cutsto Medicare will come from rooting out fraud and othermisspending, not from services, he said. Fears of deep cuts to benefits among seniors has been fueled by advertisements filled with misinformation, he said.

"One thing is absolutely certain: Your Medicare is going to be intact and secure. I really want you to know that and take that to the bank," Welch said.

Seniors aren't the only ones expressing doubts about Democratic health care bills. Welch also sat down Monday to discuss health care with local Bennington County state Sen. Dick Sears, a Democrat, said he is worried about an expansion of Medicaid contained in health care proposals that could place additional burdens on cash-strapped states. Welch said a reform bills

in the U.S. House place the financial burden on the federal government through a mix of savings and revenue.

But a plan in the U.S. Senate, proposed by Montana Sen. Max Baucus, chairman of the Senate Finance Committee, would require states to share the tab.

"This is going to be an issue," Welch said. "Sen. Baucus is trying to lower the cost of the plan, but all he's doing is passing off the cost onto the states. The states don't have the fiscal capacity to do this," Welch said.

Dr. Mark Novotny, interim CEO of Southwestern Vermont Health Care, said the country's health care delivery system must be reorganized. "We have to look at what we pay for and then we need to look at how we finance it," Novotny said.

In Vermont, 20 percent of patients with chronic illnesses account for about 70 percent of the health care costs, according to Novotny. He said the implementation of medical homes, which emphasize high-quality primary care, will lead to better and cheaper health outcomes.

"There are limited resources here. We cannot do everything for everyone," Novotny said. "You have to apply your limited resources to a prioritized list of needs."

Some spoke in favor of opening the insurance market to allow people to cross state borders to purchase insurance.

But Mark Kevorkian, a local insurance broker, said insurance companies have slowly pulled out of Vermont of tougher requirements that force them to insure higher-risk people. "They're not coming here because we have so many mandates that we have to meet," he said

Welch agreed. "A lot of these insurance companies don't do it because they don't want to meet those standards," he said. But a national exchange would impose similar legislation across the

country, leveling the playing field.

"If you have a national exchange where these standards apply whether you're Blue Cross in Vermont or Blue Cross in Kansas, then it sets up a framework where the competition is going to be based largely on price and service, as opposed to gaming what is covered and what isn't," Welch said.

Former Republican Bennington County state Sen. Mark Shepard, who ran unsuccessfully for the U.S. House seat in the Republican primary in 2006, challenged Welch on the government's right to offer health care coverage.

"Where in the Constitution does the government have the authority to manage health care and many other things that we're getting into these days?" he asked, sliding a printed copy of the U.S. Constitution across the table.

Welch gave little credence to the argument, however.

"I'm just going to make this simple. I really disagree with you. There's not a constitutional argument in my view," he said.